



Department of Justice

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PENNSYLVANIA CONTRACTOR PLEADS GUILTY TO PARTICIPATING IN FRAUD CONSPIRACY AT NEW YORK PRESBYTERIAN HOSPITAL

WASHINGTON — A Pennsylvania general contractor for residential and commercial buildings pleaded guilty today to conspiring to defraud New York Presbyterian Hospital (NYPH) for his role in a conspiracy to pay kickbacks to a former senior purchasing official at NYPH.

Aaron S. Weiner, of Meadowbrook, Pa., pleaded guilty in U.S. District Court in Manhattan, for participating in a conspiracy that took place from at least June 2004 to March 2005.

According to the charge, Weiner, through his company, Aaron Weiner Construction Inc. (AWC), acted as a conduit in a million-dollar kickback scheme. The owner of two construction companies located in New York City paid Weiner to pose as a consultant as a means to provide kickbacks to a former senior purchasing official at NYPH in return for awarding contracts that totaled at least \$20 million. In order to further conceal the kickbacks paid to the purchasing official, payments were wired to AWC, who in turn wrote checks to a shell company formed by the former senior purchasing official in his mother's name. In total, about \$1 million in kickbacks went through Weiner to the purchasing official.

"The Department of Justice will vigorously prosecute those who attempt to deprive nonprofit organizations of the benefit of the competitive process," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division.

The fraud conspiracy with which Weiner is charged carries a maximum penalty of five years in prison, three years of supervised release, and a \$250,000 fine. The maximum fine may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

In April 2007, as part of the same investigation, Michael Theodorobeakos and two maintenance and insulation companies he co-owned – Monosis Inc. and STU Associates Inc. – pleaded guilty to conspiring to rig bids on the supply of maintenance and insulation services to NYPH and Mount Sinai Medical Center (Mount Sinai). In addition, Michael Vignola and Mister AC Ltd. pleaded guilty in November 2007, to conspiring to rig bids on HVAC services provided to NYPH. Vignola also pleaded guilty to a conspiracy to defraud NYPH that included paying kickbacks to the same former senior purchasing official at NYPH.

Today's charge arose from an ongoing federal antitrust investigation of bid rigging, bribery, fraud and tax offenses relating to contracts administered by the Facilities Operations Department and Engineering Department at NYPH and in the Engineering Department at Mount Sinai. The investigation is being conducted by the Antitrust Division's New York Field Office, the Federal Bureau of Investigation and the Internal Revenue Service Criminal Investigation's New York Field Office.

Anyone with information concerning bid rigging, bribery, tax offenses or fraud relating to contracts administered by the Facilities Operations Department and Engineering Department at NYPH or in the Engineering Department at Mount Sinai should contact the New York Field Office of the Antitrust Division at 212-264-9308 or the New York Office of the FBI at 212-384-4467.

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